



**State of Rhode Island and Providence Plantations**  
**Water Resources Board Corporate**  
100 North Main Street, 5<sup>th</sup> Floor  
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**MINUTES OF BOARD CORPORATE MEETING #283**  
December 13, 2005

(Meetings of the Board Corporate convene immediately after the Board meetings.)

**Members Present:**

Daniel W. Varin, Chairman  
William Penn, V. Chairman  
Robert Griffith  
Frank Perry  
William Stamp, III  
June Swallow  
Alicia Good\*  
William Parsons  
Timothy Brown

**Members Absent:**

Jon Schock

\*Member designee

**Staff Present:**

Juan Mariscal  
Kathleen Crawley  
Brian Riggs  
Beverly O'Keefe  
Rob Christina  
William Riveroso  
Elaine Maguire  
Tracy Shields

**Guests:**

Pasquale DeLise, BCWA  
Anne Veeger, PhD

**1. CALL TO ORDER**

With a quorum present, Chairman Varin called the meeting to order at 1:16 p.m.

**2. APPROVAL OF MINUTES:**

On a motion by Mr. Perry moved approval of the November minutes with two minor corrections. This was seconded by Mr. Stamp, and the Board unanimously approved the motion.

**3. CHIEF FINANCIAL OFFICER'S REPORT**

Mr. Penn moved approval of the November CFO report with Mr. Brown seconding the motion. The motion carried unanimously.

Mr. Penn also wanted to note that before any discussions regarding Phase IV, there should be a "push" on the suppliers to spend the \$3.6 million remaining in Phase III. The largest amounts are for Pawtucket and Woonsocket respectively. Mr. Stamp questioned why the money was just sitting, and Mr. Penn explained that it was because these suppliers did not have projects. Chairman Varin noted that he believed Pawtucket had some land acquisitions in the works, and Mr. Mariscal responded that they did, but there were still some questions on the details. Mr. Mariscal explained that as had been noted in the Finance Committee, staff would be putting together a detailed report regarding projections based on information received from the water suppliers. This will give the Board a complete handle on what staff expects will be spent in this fiscal year.

Mr. Penn explained that if the water suppliers themselves are not motivated to find projects, then perhaps the Board should be letting the elected officials know that this money is there and is not being spent. The deadline has already been extended from December, 2005 to June, 2006. Mr. Stamp wondered what the reason for this is, and asked if it was because the amounts were not enough to support a project. Chairman Varin responded that in some cases the amounts do get small, although he did not believe that would be the case in either Pawtucket or Woonsocket. Mr. Perry added that with he knew

Pawtucket had a couple of land acquisitions under consideration, and asked Mr. Griffith for confirmation. Mr. Griffith agreed. Mr. Rivero explained that in January, Pawtucket would be coming before the Board for the balance of their money.

Mr. Griffith also wanted it noted that there are parameters particularly regarding land acquisition. The land has to be within the watershed area. In fact, we have a letter from South Kingstown today in support of their request for a couple of non-land acquisitions that indicates that while they were able to find a couple of desirable parcels, these were not within the watershed overlay and also because of higher land prices, it's becoming difficult for smaller systems who get a proportionate share of the allocation to take advantage of the funds earmarked for land acquisition. Therefore, this is something that the Board will have to review in future.

Mr. Penn explained that the problem is that we are locked into the terms and conditions of the bond indenture, which were tailor made with the terms and conditions of the legislation. Now we can go back and change the legislation; however, we cannot change the bond language. Mr. Penn explained that what was discussed at today's Finance Committee is that Phase IV would be a totally different bond and that we should make changes in legislation to take care of these issues concerning small systems which are unable to use their allocation of land acquisition money. Ms. Good stated that there are some communities that have surpassed their use of their land acquisition money, but have opportunity, but they cannot take advantage of that and are using it elsewhere.

#### **4. COMMITTEE REPORTS AND ACTION ITEMS RESULTING**

##### **A. Public Drinking Water Protection Committee—Chair Robert Griffith**

###### **(1) RI Public Drinking Water Protection Program - Phase III:**

- (a) Town of South Kingstown—Water Supply Protection Project. Preparation of Water Supply Systems Management Plans—Request for Eligibility Approval**

Mr. Griffith explained this was for the cost of the water system supply 30-month update, which is classified under the 55 percent land acquisition segment of funds requirement, but limited to 40 percent of the total cost. Mr. Griffith continued that this was a case of South Kingstown not being able to identify eligible land acquisition projects. What is being sought here is eligibility, it would be 40 percent of the total cost once the work has been completed and it is an eligible project. Mr. Griffith moved approval with Mr. Stamp seconding. The motion carried unanimously.

- (b) Town of South Kingstown—Water Quality Improvement Project. Water Tank Refurbishment—Request for Eligibility Approval**

Mr. Griffith explained that this was another request for eligibility approval from South Kingstown. They are seeking funds to refurbish a water tank. They have requested funds for both the interior and the exterior of the tank; however, the committee is recommending interior only consistent with our previous actions by the committee and the Board in both Phase II and Phase III. Final determination of the payment will be made based on the final costs. Mr. Griffith moved approval with a second from Mr. Perry, and the motion carried unanimously.

- (c) Town of Westerly—Water Quality Improvement Project. Elimination of Dead End Water Mains—Request For Eligibility Approval**

Mr. Griffith explained that the Town of Westerly requests eligibility approval for the elimination of dead-end water mains, which is also considered a water quality protection project and is listed under the Board Corporate project approved list and this type of project has been approved in the past. Mr. Griffith moved approval with a second from Mr. Stamp and the motion carried unanimously. Mr. Perry noted that this was a final payment request. Mr. Griffith noted that there had been extensive discussion at the committee that there had been too many projects that were being accepted under the

current eligibility rules that the committee believed should be done under an on-going maintenance program and are really stretching the definition of water quality protection. There is also concern that some suppliers continue to come forward after the fact with projects; this is procedurally inappropriate.

Mr. Perry explained that sometimes our own rules are forcing some suppliers into this situation. They are often working on a project—as Mr. Penn noted, we are coming to the end of the eligibility period and there are unexpended funds and a project that was planned does not go through leaving the supplier scrambling to find something that is eligible and get it paid. Mr. Griffith explained that this was partly due to the fact that the suppliers didn't want to face politicians who would note that they had all this money and would want to know why it wasn't spent.

Mr. Penn explained that the monies do not have to be spent by June, 2006, but they do need to be committed by that time. Mr. Griffith explained that this problem existed in both Phases I and II and it usually results in a land acquisition project that goes down to the wire and then the seller backs out or there is some restriction on the title or it is an interstate transaction and there are some legal issues that cannot be resolved. Therefore, Mr. Griffith wanted to make it clear that we would never get to 100 percent expenditures despite our best efforts. Mr. Griffith responded to Mr. Stamp's question of what can we do to avoid this, and Mr. Griffith explained that it would require discussion and extensive review of our experience in all 3 phases to see how we can and how we should restructure the program before going forward with any more phases.

**C. Finance Committee—Chair William J. Penn**

**(1) Payment Requests:**

- (a) JP Morgan for trustee, registrar and paying agent services rendered from May 2005 through October 2005. Requested payment: \$1,250.00; Recommended payment: \$1,250.00. Request for approval

Mr. Penn moved approval of this payment request with a second by Mr. Stamp; this motion was approved unanimously.

- (b) RI Department of Environmental Management for services rendered from May 29, 2005 through October 29, 2005. Requested payment: \$3,996.70; Recommended payment: \$3,996.70. Request for approval

Mr. Penn moved approval of this payment with a second from Mr. Griffith who noted that this cost would be "cheap at twice the price." With Ms. Good abstaining, the motion carried unanimously.

**5. NEW BUSINESS - None**

**6. OTHER BUSINESS**

**7. ADJOURNMENT**

On a motion by Mr. Griffith, seconded by Mr. Stamp, the Board unanimously voted to adjourn at 1:35 p.m.

Respectfully submitted,

Tracy Shields  
Personnel Aide

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